

## **Minutes of the Finance Committee**

**Thursday, July 15, 2004**

Chair Haukohl called the meeting to order at 8:55 a.m.

**Present:** Supervisors Pat Haukohl (Chair), Jim Behrend, Joe Marchese, and Genia Bruce. Don Broesch arrived at 9:26 a.m. **Absent:** Bonnie Morris and Ken Herro.

**Also Present:** Legislative Policy Advisor Mark Mader, Senior Civil Engineer Kevin Yanny, Emergency Government Coordinator Jim Malueg, Senior Financial Analysts Mike Baniel and Andy Thelke, Administration Director Norm Cummings, Accounting Services Manager Larry Dahl, Principal Financial Projects Analysts Bob Ries and Cindy Schramm, Treasurer Pam Reeves, Airport Manager Keith Markano, Information Systems Manager Mike Biagioli, Federated Library Director Tom Hennen, Library Building and Capital Costs Study Committee Chair Phil Evenson, Town of Mukwonago resident Susan Bergmann, Village of Mukwonago Trustee Mary Pires, Village of Hartland Trustee Karen Compton, Hartland Public Library Director Nancy Massnich, City of Waukesha Alderman Larry Nelson, Oconomowoc Public Library Director Ray McKenna, Waukesha Public Library Director Jane Ameel, Delafield Public Library Director Jocelyn Bubolz, Pauline Haass Library Director Kathy Klager, Alice Baker Public Library Director Alison Senkevitch, and County Board Supervisor Hank Carlson.

### **Approve Minutes of 6/16/04**

MOTION: Marchese moved, second by Behrend to approve the minutes of 6/16/04. Motion carried 4-0.

### **Schedule Next Meeting Dates**

The next Finance Committee meeting is scheduled for August 4<sup>th</sup>. Haukohl said this meeting would probably go into the afternoon so those committee members who are unable to stay for the entire meeting should advise the County Board Office.

### **Contract Procurement Process for CTH “O”, CTH “I” to Hackberry Lane – Structure Design Services**

This contract was awarded to Ayres Associates, the highest rated proposer, for a total contract cost of \$407,180. The budgeted amount was \$400,000. Yanny said they should be able to bring this in at or just under budget due to some modifications they are planning with regards to the soil. A total of six RFP’s were received for consideration from potential vendors.

MOTION: Marchese moved, second by Behrend to approve the contract procurement process for CTH “O”, CTH “I” to Hackberry Lane – structure design services. Motion carried 4-0.

### **Fund Transfer 2004-0-2: County Executive/Emergency Management – Transfer Funds from Contingency Fund to Operating Expenses**

Malueg discussed this issue which involves transferring \$22,500 from the contingency fund. The City of Waukesha has billed the County for responding to a hazardous materials incident in Menomonee Falls. The County is responsible for the costs if the person or entity responsible is unable to pay. It is unknown at this time whether the County will be able to recover expenses from the person responsible who is being prosecuted for activities related to this incident, but

staff will make every attempt. Contingency funds are available and may be used for situations which cannot be anticipated or adequately planned for during the budget process.

MOTION: Marchese moved, second by Behrend to approve fund transfer 2004-0-2, County Executive/Emergency Management, contingent that this debt be referred to the Collections Division to attempt recovery from the person responsible. Motion carried 4-0

**Ordinance 159-O-036: Repeal Sections 7-47, Relating to Committee Approval of Expenses Over \$2500; and 7-49, Relating to the Director of Finance Administrative Transfer of Funds; and Repeal and Recreate Sections 7-17, Relating to Appropriations for Contributions and Donations Made by the County; and 7-93, Relating to the Year-End Purchase Order (Encumbrance) Carryover Process of the Waukesha County Code of Ordinances**

Cummings said they are in the process of “cleaning up” the code which includes some sections that are now obsolete. They are all financial issues but have no fiscal impact whereby he reviewed the changes in detail.

Broesch arrived at 9:26 a.m.

MOTION: Behrend moved, second by Bruce to approve ordinance 159-O-036. Motion carried 5-0.

**Overview of the Comprehensive Annual Financial Report (CAFR)**

Dahl gave an overview of the CAFR report as outlined including the Financial Section, Management’s Discussion and Analysis, General Fund and Major Special Revenue Funds, Basic Financial Statements and Notes, etc.

**Ordinance 159-O-031: Approve Assignment Contract for Brownfield Property Barrett Landfill, New Berlin**

Reeves said the last year the County received any tax revenues on this property was in 1989. The Corporation ceased and the owner, Mr. Barrett, moved to Canada. Reeves said the County has never foreclosed on the property because we don’t want a landfill. King Development has offered to purchase the property for \$36,416 for delinquent taxes plus \$1,000 to offset County costs related to the foreclosure. King would take ownership of the property “as-is” and would have no future recourse to the County for any environmental clean up costs.

Reeves said for the last few years the DNR has not monitored this site nor have they worked on cleaning it up. They have informed King that they will need to monitor it on a quarterly basis and pump it on an annual basis. We are still waiting for test results from the DNR and if there are any problems, this deal could fall through. She noted that King intends to develop storage units at the site. King has a longstanding reputation of cleaning up contaminated properties.

Marchese said he could not support this ordinance because the landfill is not lined and he is concerned with potential groundwater problems. Reeves noted that the storage sheds would not be placed directly on top of the landfill. Mader said the County will not clean up the water nor does it want the property and the DNR isn’t doing anything either. The best chance this property has is with King Development. Not only that, this is the only way we’ll recover the delinquent taxes. Haukohl said she agreed with Marchese and if there are issues with groundwater

contamination, why aren't we insisting the DNR do something rather than pass the buck to King? She was concerned if King would follow through with the clean up and whether or not the groundwater is contaminated. She asked, where are we then if this all falls through? Reeves said nobody wants this property and this proposal is the best case scenario. Mader, as discussed at the Land Use Committee, said King would be on a schedule to do pumping and testing that the DNR has not been doing.

Mader, anticipating the potential question at the County Board meeting, asked what if King tries to split the property, build their storage sheds, and then abandon the landfill? Mader said at least the County would receive taxes from some of the property and the landfill wouldn't be any worse off than it is right now. Furthermore, Reeves said if the property is transferred to King and they default, the DNR can go after them because they have assets. Mader said it's highly unlikely we'll find a better deal if we wait.

MOTION: Broesch moved, second by Bruce to approve 159-O-031. Motion carried 4-1. Marchese voted no.

#### **Update on In-Rem Foreclosure Actions**

Reeves distributed a list of the homes / properties as of 7/14/04 to possibly be foreclosed upon which included information on owner, property address, and assessed value. She explained each property and will report back the results of the foreclosure actions which will occur on Monday.

#### **Chair's Executive Committee Report of 7/12/04**

Haukohl said the Executive Committee approved ordinances 159-O-036, 037, and 038, and 039. They also approved resolution 159-R-004 with a related ordinance to follow. They amended resolution 159-R-005 but it was defeated by the Land Use Committee because of the amendment. They approved resolution 159-R-003 although it was not a unanimous vote. The committee also reviewed the Engineering Services Division audit which resulted in only two, basically minor, audit recommendations.

#### **Ordinance 159-O-032: Accept General Aviation Airports Grant Award from Wisconsin Office of Justice Assistance for Security Related Projects and Protection of Critical Infrastructure**

Markano said they received \$150,000 in Homeland Security Grant funds to upgrade several old gate motors and develop an access system that is not a common code. Markano said they will make the system scalable / integrated because it's very likely that general aviation security, now just guidelines, will be mandated at some point. These funds will not cover everything but they will have a system in place whereby they can request additional funds in future years.

MOTION: Behrend moved, second by Broesch to approve ordinance 159-O-032. Motion carried 5-0.

#### **Ordinance 159-O-038: Modify Project Scope for 200109 Implement HHS Automated System**

Biagioli said the current capital plan for 2004 includes dollars to purchase the case management system with the assumption that they would not have to integrate the State SACWIS system into the County system. Biagioli said the State rejected our request to interface with SACWIS through our systems and insisted the County implement SACWIS as presented. Biagioli said in

order to reduce paperwork in the Health & Human Services Department staff need to design three major interfaces between our system and the State's system. When the State does their SACWIS upgrade, staff will need to create an interface that brings the information to the County systems. There also needs to be an interface between SACWIS and the County's financial system (BAS). Biagioli said they had hoped they would not have to do these interfaces.

Staff are estimating it will cost \$165,000 to complete the work for the remainder of this year, with a primary focus on external services. Biagioli said had the State agreed with our original intent, we would have saved about \$200,000 in development costs. Because of problems with our vendor, Creative SocioMedics, Biagioli said he is not comfortable moving forward with their case management system. This ordinance will allow staff to use the dollars intended for the case management system to finish the work on the Health & Human Services Department required SACWIS interfaces, and hopefully complete them by the end of this year. As we move into 2005, staff will conduct a full needs analysis for the Department, probably using an outside consultant, to determine the proper automation solution for the department. This scope change will be incorporated into the overall project request for 2005 and will come before the committee as part of the 2005 budget.

MOTION: Behrend moved, second by Bruce to approve ordinance 159-O-038. Motion carried 5-0.

**Ordinance 159-O-037: Amend Waukesha County Code of Ordinances Regarding Federated Library Capital Cost Reimbursement Program**

Hennen said the intent of the library tax is that no municipality pays twice. Currently, those communities that have libraries levy a community library tax while those that don't, pay a County tax levy which is then distributed to library communities. There are 19 communities without libraries and they give money to the 16 libraries (18 communities) with libraries. Hennen said there are problems with this system, the biggest being that the law doesn't require consideration of capital costs which can vary year by year depending on the amount of expenditures needed, e.g., building expansion, building maintenance and upkeep, etc.

Hennen said he believes the Library Building and Capital Costs Study Committee has come up with a fair solution. The LBCCS Committee agreed there should be a capital cost levy. The committee looked statewide and nationally as to how it could be levied. They found that on average, 13 cents is spent for capital improvements although the cost incurred by Waukesha County libraries is higher than that. The committee looked at a number of options as to how the money should be distributed and concluded that it should be sent back to member libraries based on usage of by non-residents.

The LBCCS Committee, however, was not unanimous in their decision. County Board Supervisor and LBCCS Committee member Mareth Kipp, who represents a non-library community, voted against this. Evenson said Kipp understands there is a deficiency with the system which she feels needs to be reformed. Evenson agrees that reformation is needed at some point because the Federated Library System doesn't work well in a rapid growing county like Waukesha. Hennen said the other members of this committee, many of whom are also non-library residents, did vote for it.

Hennen said concerns have been heard that communities will build “Taj Mahals” or libraries bigger than what they need because of the additional funding. This is highly unlikely based on less than average monies. The LBCCS Committee intended this tax to be revenue neutral so that tax rates in library communities could be proportionately reduced. Hennen noted that non-library communities represent 28% of the tax base in this County, 24% of the population, and 21% of the library usage. They currently pay 21% of the operating costs and none of the capital.

Evenson said these inequities should be dealt with now, in case there are tax levy freezes in the future. He said every fair-minded person would agree that the communities paying for the capital facilities deserve some reimbursement from non-library communities for the capital costs being spent. They’re not trying to fund any more than what is minimally necessary. He thinks the committee settled on a plan that’s simplistic and easy to understanding. Evenson said this will result in tax increases for the non-library communities but it’s dictated by fairness.

Haukohl agreed that the proposed plan is very consistent and fair and she feels they came up with the best possible solution. Behrend said while he’ll vote in favor of this, he is troubled by any tax increases.

Among those commenting at today’s meeting was Karen Compton who said they are forced to add onto their library, primarily because about 50% of the library users are non-Hartland residents. Compton said those communities that don’t have libraries but use libraries in other communities are predominantly very wealthy, e.g. Village of Chenequa, Town of Delafield, etc. The amount of tax they would pay in order to help out library communities that don’t have that kind of per capita income would be very minor. Jocelyn Bubolz felt this was a win-win situation for everybody. Kathy Klager also spoke in support of the ordinance and she said about 30% of the Waukesha Public Library users are non-residents. Susan Bergmann said they will receive \$50,000 toward a \$5 million project. She agreed with Hennen that there won’t be any “Taj Mahal” libraries. Alison Senkevitch, Ray McKenna, Mary Pires, and Larry Nelson also spoke in favor of the ordinance.

MOTION: Broesch moved, second by Bruce to approve ordinance 159-O-037. Motion carried 5-0.

MOTION: Broesch moved, second by Bruce to adjourn at 12:30 p.m. Motion carried 5-0.

Recorded by Mary Pedersen, Legislative Associate.

Respectfully submitted,

Bonnie J. Morris  
Secretary